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SIPDIS

USDOC FOR 532/OEA/LHINES/DFARROW
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR
WILLIAM ZARIT
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A
TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION:
TEGENT TECHNOLOGY LTD.

REF: A) USDOC 02348

1.Unauthorized disclosure of the information
provided below is prohibited by Section 12C of the
Export Administration Act.

12. As per reftel A request and at the direction of
the Office of Enforcement Analysis (OEA) of the
USDOC Bureau of Industry and Security (BIS),
Export Control Officer Philip Ankel (ECO),
accompanied by Commercial Assistant Sandy Lai,
conducted a post shipment verification (PSV) at
Tegent Technology Ltd. (Tegent), Room 2103-05,
Westin Center, 26 Hung To Rd., Kwun Tong, Hong
Kong. The items in question are a gas
chromatograph and an electrical mass spectrometer
exported to Tegent on or about December 18, 2006
with a combined value of approximately USD 30,000.
On the applicable shippers export declaration
(SED), these items are classified as 3A999. Items
properly classified as 3A999 may be
exported/reexported license free to virtually all
destinations and end-users worldwide, except
certain terrorist sponsoring countries (including,
in particular, North Korea). The exporter was
Agilent Technologies of New Castle, Delaware
(Agilent).

13. According to the Hong Kong Companies Registry,
Tegent has been in existence since 1993. It has
registered share capital of HKD one million
(approximately USD 125,000). Directors are Hong
Kong identity card holders Hon Ching Cheung, Yan
Chiu Yu and Yan Oi Yu. According to Tegent's web
site (www.tegent.com.hk), the company is a leading
provider of high technology testing instruments to
customers in mainland China. Tegent lists typical
customers as laboratories involved in
environmental monitoring, food analysis, R&D and
petroleum product testing.

14. The ECO and Commercial Assistant Sandy Lai
visited Tegent at the address referenced above on
March 27, 2007 and met with Mr. Andrew Cheung,
General Manager. Mr. Cheung provided background
on Tegent. Consistent with the information noted
above, Mr. Cheung stated that Tegent has been in
business since approximately 1993. It sells
primarily U.S. and European-made instruments to
the Hong Kong and mainland China markets with
approximately USD 30 million in annual turnover.

It has approximately 150 staff in Hong Kong and mainland China. Agilent is a major supplier to Tegent of lab instruments and chemical analysis machines. According to Mr. Cheung, typical uses for these instruments include testing for pesticide and antibiotics residue in foodstuffs as well as pollution testing.

15. Mr. Cheung was familiar with export controls noting that his company encounters the export control requirements of the United States, Hong Kong and Japan (for certain Agilent products sourced from Japan). As to U.S. export controls, Mr. Cheung stated that he relies primarily on Agilent to take care of these formalities as it is quite familiar with U.S. export control rules. The ECO provided Mr. Cheung with information on U.S. reexport controls (BIS publication 'Guidance on the Department of Commerce's Reexport Controls').

16. With respect to the shipment that was the subject of the PSV, Mr. Cheung provided an original purchase order reflecting that the items were sold to Yunnan Tea Garden Group of Kunming, China. Mr. Cheung stated that the items had not yet been shipped to the customer and were available for ECO's inspection in the company's warehouse in the same building. Mr. Cheung subsequently corrected himself and stated that the items were located at another location awaiting shipment. He offered to have them delivered from the offsite location to the company for inspection. On March 29, 2007, ECO and Commercial Assistant Lai visited Tegent and were able to inspect Agilent shipping boxes with the units

inside.

17. At the time visited, Tegent appeared to be a suitable recipient of the commodities shipped (as reseller) since Tegent cooperated with the PSV and provided all requested information concerning the final disposition of the applicable items. The ECO recommends that this PSV be classified as Favorable.
Cunningham